

ENSCO
PUBLIC REPORT ON RESPONSIBLE INVESTMENT IN MYANMAR



December 23, 2014

Via Email

U.S. Department of State
2201 C St., NW
Washington, DC 20520
BurmaPublicReport@state.gov

RE: Report on Responsible Investment in Myanmar

To Whom It May Concern:

Ensco plc ("Ensco"), on behalf of its wholly-owned subsidiaries, Dupont Maritime LLC, Ensco (Myanmar) Limited, and ENSCO Oceanics International Company, hereby submits the enclosed Report on Responsible Investment in Myanmar.

On April 30, 2014, Ensco entered into an agreement to provide drilling services to a consortium comprising PTTEP International Limited and the Myanma Oil and Gas Enterprise ("MOGE") (collectively, the "Consortium"). The Company subsequently entered into a separate contract to provide drilling services to PetroVietnam Overseas Exploration Production Operating Company Ltd. ("PVEP Overseas") offshore Myanmar. Because Ensco is a vendor to the Consortium and PVEP Overseas (and is not directly engaged in the economic development of any resources located in Myanmar, as defined by the Burmese Sanction Regulations, 31 CFR Part 537), Ensco does not believe its contract with the Consortium constitutes "new investment" pursuant to the Burmese Sanctions Regulations. However, out of an abundance of caution, Ensco is submitting the enclosed U.S. Government and Public Report pursuant to the Regulations.

Because this transaction involves MOGE, Ensco submitted on May 27, 2014, a notification to the U.S. Department of State, pursuant to the Burmese Sanctions Regulations and the U.S. Department of State's "Reporting Requirements on Responsible Investment in Burma."

If you have any questions regarding this matter, please contact me at 713-917-2406, or kbaiden@enscoplc.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Kwesi A. Baiden", written over a horizontal line.

Kwesi A. Baiden
Chief Compliance Officer

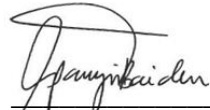
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SUBMITTER

Ensco plc (“Ensco” or “Company”)

ACKNOWLEDGEMENT

The Company understands that this report will be made public, and that the Company has redacted before submission any information it considers in good faith to be exempt from public disclosure under FOIA Exemption 4.



Kwesi A. Baiden, on behalf
of Ensco plc

December 23, 2014

Date

PUBLIC POINT OF CONTACT

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OVERVIEW OF OPERATIONS IN MYANMAR

Name(s) of companies, including all subsidiaries, operating in Myanmar covered by this report

- Ensco plc;
- Dupont Maritime LLC;
- Ensco (Myanmar) Limited; and
- ENSCO Oceanics International Company.

Nature of business in Myanmar

Ensco is one of the largest drilling companies in the world. Headquartered in the United Kingdom, it employs over 9,000 people worldwide and has operations in 20 countries, now including Myanmar.

Earlier this year, after a careful, deliberate, and rigorous due diligence process, the Company entered into a service agreement with PTTEP International Limited (“PTTEP”), the national oil company of Thailand, to provide a semisubmersible drilling rig and drilling services offshore Myanmar. In conducting its due diligence, the Company was mindful especially of

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Myanmar's human rights record and its record on workplace rights, environmental issues, and anti-corruption risks. Ensco's services support PTTEP's exploration for and development of hydrocarbons, and are provided for the benefit of a consortium comprising PTTEP and the Myanmar Oil and Gas Enterprise ("MOGE") (collectively, the "Consortium"). The bulk of Ensco's operations are offshore, and drilling crew rotate on and off the drilling rig every 28 days in accordance with industry standard. The Company also has limited onshore operations in the form of an administrative office staffed by eight persons.

The service agreement with PTTEP has a one-year term, but the parties may extend the term subject to mutual agreement.

In addition, the Company has executed another service agreement with PetroVietnam Overseas Exploration Production Operating Company Ltd. ("PVEP Overseas"), a subsidiary of the national oil company of Vietnam, to provide drilling services offshore Myanmar. The service agreement provides for commencement of operations no later than January 15, 2015. The Company will rely on the same infrastructure, support, compliance, and risk mitigation measures (described below) that it established for the service agreement with PTTEP.

Location(s) of operations in Myanmar

- The Company's ENSCO 5005 drilling unit (which services the PTTEP agreement) is located in Block M-9 offshore Myanmar.
- The Company's ENSCO 104 drilling unit (collectively with the ENSCO 5005, the "Rigs") (which services the PVEP Overseas agreement) is located in Block M-2 offshore Myanmar.

Nb. The Rigs are not located offshore Rakhine State.

- Ensco's onshore office is located at:
339 Bogyoke Aung San Road
Kyauktada Township
Yangon

Approximate maximum number of employees in Myanmar during the reporting period (broken down by Myanmar and non-Myanmar employees)

- The Company employs 258 people in Myanmar, 64 of whom are Burmese and 194 of whom are not Burmese. All but eight employees, two of whom are Burmese contract workers, work on a rotational basis on the Rigs offshore Myanmar.
- Pursuant to the contract with PTTEP, Ensco is required to employ a certain number of MOGE employees as rig crew. Therefore, the Company engages 38 MOGE employees as drilling crew on the ENSCO 5005.

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HUMAN RIGHTS, WORKER RIGHTS, ANTI-CORRUPTION, AND ENVIRONMENTAL POLICIES AND PROCEDURES

Due Diligence Overview

Per its standard practice, the Company conducted extensive due diligence before entering into its service agreement with PTTEP. Because bribery and corruption pose significant risks for oil and gas companies, the Company was sharply focused on this area and other areas, such as sanctions risks and human rights abuses. Visits to Myanmar were a key component of the Company's due diligence and, as discussed in more detail below, this due diligence process enabled the Company to adopt tailored procedures to mitigate the risks observed. In addition to outlining the due diligence process, this report describes the Company's current mitigation strategies.

Actions Taken

Due Diligence Team

The Company assembled a due diligence team comprising representatives from the following relevant departments:

- Compliance Department;
- Finance, Eastern Hemisphere;
- Legal Department;
- Logistics and Trade; and
- the Company's independent outside counsel.

Due Diligence Visits

The due diligence team (the "Team") traveled to Myanmar and Thailand in February 2014 to conduct due diligence on the Consortium, MOGE, and PTTEP, and on potential local service providers prior to entering into any business agreements. Various members of the Team also have traveled to Myanmar since then to ensure that the Company's operations conform to the Company's global Code of Business Conduct.

The initial due diligence visit included a meeting with representatives from PTTEP to discuss the terms of the service agreement. At this meeting, the Team communicated its compliance obligations under U.S. and U.K. law, especially with respect to sanctions, anti-corruption, and human rights, and its requirement that the Consortium conduct business consistent with these obligations.

The Team also sought to understand the contours of PTTEP's consortium agreement with MOGE and MOGE's involvement in the Consortium, and learned that PTTEP would be the primary operator. MOGE would not be involved in day-to-day operations. However, pursuant to its contract with PTTEP, Ensco is required to employ a certain number of MOGE employees as rig crew. Therefore, the Company has engaged 38 MOGE employees as drilling

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crew on the ENSCO 5005. The Company screened the names of relevant individuals at both PTTEP and MOGE against restricted party lists, such as the Office of Foreign Assets Control's List of Specially Designated Nationals and Blocked Persons (the "SDN List"), to ensure that the Company would not deal with any restricted parties. This screening detected no restricted parties.

Additionally, the Company inquired about human rights issues and whether MOGE and PTTEP employees had been trained accordingly. The Company also negotiated clauses in its service agreement which gave the Company exit rights in the event of non-compliance with certain key compliance requirements including, but not limited to, anti-corruption, human rights, money laundering, and sanctions regulations.

The February 2014 due diligence visit also included meetings with representatives from the U.S. Commercial Service and U.K. Trade & Investment to learn about challenges specific to multinational companies operating in Myanmar. Both the U.S. Commercial Service and U.K. Trade & Investment representatives reinforced the Company's understanding that Myanmar's legal system is in transition, that the economy is cash-based and underdeveloped, and that the local political climate remains fluid. Nevertheless, both representatives noted that with the right protections in place, multinational companies can operate, and succeed, in a compliant fashion in Myanmar.

Finally, the Team met with local counsel (the Myanmar office of one of the world's largest law firms) to seek advice on local legal requirements, such as employment laws and banking and investment rules. The Company continues to communicate and seek guidance from local counsel regarding local law issues.

Engaging a General Services Provider

Because the Company is entering the Myanmar market for the first time, it opted to engage an experienced general service provider for certain support services (*e.g.*, staffing, immigration, freight forwarding and customs clearance, custodial, and housekeeping services). Because engaging a local service provider to act on Ensco's behalf presents significant compliance risks, the Team interviewed four different candidates. Consistent with Ensco's Anti-Corruption and Intermediary policies, the Company conducted extensive due diligence on each of the general service provider candidates. Prior to the arrival of the Team in Myanmar, the identified candidates completed questionnaires and provided relevant background materials, including their compliance policies and procedures. During in-person visits with each of the four candidates, the Team inquired about each candidate's operational background (*e.g.*, history, staff, existing clients); tested the candidate's actual knowledge of necessary procedures, such as customs clearance and visa processing; sought bank and commercial references; and made general compliance inquiries regarding the business environment in Myanmar. Additionally, all employees working on Ensco's account were screened against the SDN List. The Company also sought information about the candidates' experience supporting foreign companies to gauge their awareness of and capacity for complying with foreign laws and regulations. Moreover, the Team informally inquired as to the potential candidates'

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reputation “on the street” in meetings with local counsel and the U.K. Trade & Investment representative.

EnSCO ultimately engaged Myint & Associates Co., Ltd. (“Myint”), because it has experience supporting other multinational operations in Myanmar, is receptive to additional training on compliance with relevant U.S. laws and regulations, and is willing to act proactively to avoid and mitigate sanctions, corruption, and human rights risks. The Company also included, per its standard practice, anti-corruption and sanctions compliance provisions in its final agreement with Myint. In August of 2014, the Company’s counsel traveled to Myanmar and conducted in-person training of all Myint employees working on the Company’s account, including senior management, on the Company’s Code of Business Conduct and anti-corruption and trade compliance policies and procedures.

Meeting with the State Department

After the Team’s return from Myanmar, the Company’s General Counsel, Chief Compliance Officer, and independent outside counsel met with representatives from the State Department to share the Company’s due diligence processes and discuss its plans for entering Myanmar in a compliant fashion. The Company requested this meeting on its own in the interest of transparency and collaboration and believes that its active engagement of the State Department highlights the Company’s appreciation that Myanmar is a unique business environment with significant risks.

RISK IDENTIFICATION

After conducting its due diligence, the Company identified the following as the risks it is most likely to encounter during operations:

- Perceived high levels of official corruption;
- Money laundering;
- Discrimination against ethnic minorities, stateless people, and other groups;
- Workers’ rights violations, including forced labor, human trafficking, restrictions on freedom of association and the right to collective bargaining, and violations of labor laws by private companies;
- Ethnic conflict, and people fleeing conflict areas;
- Human rights abuses by armed groups; and
- Land confiscation without adequate compensation or a fair process.

The Company also referred to the U.S. State Department’s Report on Human Rights and other assessment reports, such as the Institute for Human Rights and Business’ Oil & Gas Sector-Wide Impact Assessment, to identify particular risks. The following policies and procedures describe the Company’s strategies for mitigating these risks.

Policies and Procedures

The Company is proud of its culture of compliance, which extends to its Myanmar operations. Given the distinct risks of doing business in some of its locations, including Myanmar, the

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Company developed a global Human Rights Statement as well as a standard operating procedure targeted to its Myanmar operations (the “Myanmar SOP”). In addition, the Company’s longstanding Code of Business Conduct (the “Code”) incorporates the Company’s anti-corruption, health, safety, and environment policies.

Policies and Procedures that Address Human Rights, Worker Rights, the Environment, and Community and Stakeholder Engagement

Global Human Rights Statement

The Company’s Human Rights Statement incorporates the Company’s policies and procedures that address human rights, worker rights, the environment, and community and stakeholder engagement. The Human Rights Statement applies to all Ensco’s operations worldwide and is available in English, Spanish, Portuguese, Chinese, French, and Burmese.

The Human Rights Statement affirms the human rights of all the Company’s stakeholders, including third parties, as expressed in the International Bill of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work. These two documents provide an authoritative list of internationally recognized human rights and frame the Company’s policies and procedures.

With respect to worker rights, the Human Rights Statement points to the Company’s Code, which sets forth the Company’s standards in the areas of anti-discrimination, anti-harassment, workplace safety, and health and fair employment practices (including prohibitions on forced or child labor). Discrimination and harassment are unacceptable in all circumstances, and affected parties are encouraged to report incidents to the Company immediately. On safety and health and fair employment practices, the Code notes that the Company is committed to a safe, zero-incident workplace with no harm to people, property, or the environment. These values reflect the Company’s governing commitment to its stakeholders’ human rights and to avoid complicity in human rights abuses.

With respect to environmental protection and sustainability, the Code requires all employees to know and follow all applicable environmental laws and procedures. The Human Rights Statement also points to the Company’s Safety, Health, and Environment Policy (the “SHE Policy”), which governs the Company’s environmental practices. The SHE Policy is discussed further below.

Regarding community and stakeholder engagement, the Company’s Human Rights Statement acknowledges that Ensco always seeks to improve its processes to minimize risks and harmful impacts, if any. To that end, the Human Rights Statement requires us to engage communities and stakeholders, where appropriate, to ensure this continual improvement.

Myanmar SOP

The Myanmar SOP includes procedures for interacting with local communities; entering into new agreements (including lease agreements); following the Company’s global health, safety,

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and environmental policies; and maintaining accurate records. The Myanmar SOP does not replace the Company's global policies and procedures, but complements the Company's existing Code of Business Conduct with procedures tailored to the Myanmar market. The Myanmar SOP is translated into Burmese and both English and Burmese versions of the document are publicly displayed on Ensco rigs operating in Myanmar and in onshore office space.

The Myanmar SOP anticipates circumstances that the Company might face in Myanmar specifically and was developed to address risks identified during the due diligence process. For example, the Myanmar SOP points to the Company's emergency procedures should displaced persons approach the Company's offshore facilities in search of help. After resolving any immediate threat to health or safety, Company personnel must contact the Compliance Department. The Compliance Department then will offer guidance, dependent on the specific circumstances, on managing the situation in a manner consistent with the United Nations Office for the Coordination of Humanitarian Affairs Guiding Principles on Internal Displacement.

The Myanmar SOP also requires personnel to coordinate with the Company's Compliance Department in advance of engaging any service providers, such as staffing agencies, consultants, or brokers to ensure that any potential service provider is screened against restricted party lists such as the SDN List. This procedure speaks to the sanctions risks of dealing with entities owned or controlled by prohibited parties and boosts the Company's already rigorous third party due diligence requirements. The Myanmar SOP also requires Myanmar personnel to seek guidance from the Compliance Department before engaging in any activity that could pose human rights risks so that the Compliance Department can take appropriate action. Those activities include: entering into any lease or customer agreements; engaging in new drilling or moving the Rigs outside of the contracted Blocks; hiring new employees or deploying new employees to Myanmar; and communicating with the Myanmar armed forces or other state or non-state armed groups. In sum, the Myanmar SOP is designed to alert employees to a set of high-risk circumstances that require consultation with the Compliance Department to implement tailored safeguards, such as stakeholder engagement and human rights due diligence.

Finally, Ensco's Myanmar personnel must distribute the Myanmar SOP to all of its service providers. The Company takes seriously its anti-corruption, sanctions, and human rights obligations and requires its services providers to do the same. Moreover, the Myanmar SOP notes explicitly that if there is a conflict between the Company's global standards and Myanmar law, then the Company is to follow the higher standard.

Policies and Procedures that Address Anti-corruption

Ensco's Overall Anti-corruption Policy

The Company's anti-corruption policy, in accordance with the Code, prohibits any acceptance or offer of a bribe or kickback. The Company's policy is founded upon a basic principle: the

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Company must not engage in any activity for the purpose of influencing a government official's discretionary authority. The Company defines "bribe" broadly: offering to give, giving, or promising anything of value (including cash, gifts, travel, entertainment, favors, or other business courtesies) to influence decisions for a business advantage. Any violation of the Company's policy is grounds for disciplinary action, including termination. Because the Code covers all Company employees worldwide, it is translated into multiple local languages, including Burmese.

Working with Third Parties

The Company also prohibits using third parties to effect the giving or receiving of bribes. To that end, the Company selects its business partners who will interact with government officials on behalf of Ensco (collectively, "Intermediaries") according to a rigorous third party procedure. Due diligence is designed to document the business justification for engaging each Intermediary; to discern its qualifications, reputation, and associations; and to evaluate the reasonableness of its compensation. The Company aims to form relationships only with reputable and qualified entities, so all potential Intermediaries, including brokers, consultants, contractors, etc., must be evaluated before the Company engages them. Moreover, all Intermediaries must execute service agreements containing anti-corruption and sanctions compliance provisions and allow Ensco to audit their books and records on demand. In many cases, the Company may provide key employees of the Intermediary with in-person training on relevant Ensco compliance policies and procedures.

Even after the Company engages an Intermediary, it continues to monitor the Intermediary's compliance with applicable anti-corruption laws. For example, the Company meets periodically with each of its Intermediaries, not only to coordinate joint projects but to re-emphasize the Company's anti-corruption rules. The Company also subjects its long-term Intermediaries to a full review every three years to ensure their conduct continues to be in line with the Company's standards. Finally, the Company requires each of its Intermediaries to sign a certification that it complies with the Company's anti-corruption policies, and these certificates must be renewed annually.

Training

The Company provides anti-corruption training globally to all onshore employees and senior rig personnel. Training comprises in-person and online training and covers ethics, anti-corruption, and trade compliance, among others. The course provides examples and case scenarios to aid learners in understanding issues and to make the Company's policies relevant so employees will incorporate compliance into their daily activities. The Company trained its onshore employees and general services provider (Myint) on Ensco's anti-corruption procedures.

The Company understands that Myanmar, as an emerging market, is susceptible to official corruption. However, the Company stands firmly on its commitment to anti-corruption compliance. Ensco performs periodic audits wherever it does business and has scheduled an audit of its Myanmar operations for the second quarter of 2015.

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Policies that Address Impacts on the Environment

Ensco's Environmental Policy and Procedures

Ensco is committed to a zero-incident workplace. The Company's overall Safety, Health, & Environmental Policy (the "SHE Policy") states Ensco will protect the safety, health, and security of all personnel involved in its operations, and will respect and care for the environment. The SHE Policy is signed by Ensco's CEO, is translated into Burmese, and is displayed prominently on the Rig. To implement the SHE Policy, the Company enacted specific environmental procedures, which are articulated in Ensco's Safety, Health, and Environment Handbook (the "SHE Handbook").

Environmental Procedures

The SHE Handbook states plainly that no business objective is so important that it will be pursued by compromising safety, health, or damage to environment. Accordingly, the SHE Handbook provides strict instructions for handling hazardous materials such as oils, waste, and chemicals. Employees must handle all rig equipment and machinery in accordance with these instructions.

For example, the Company requires all shipping containers to be closed securely and to be manifested properly. Personnel must inspect hydraulic equipment, valves, tanks, flanges, and drums to ensure they do not leak. Rig workers must use specific waste skips for segregating and disposing waste; they may not discard items indiscriminately. Clean-up efforts must proceed according to material safety data sheets. Drains must be clear of obstructions or blockages. Sufficient clean-up equipment, for the sole purpose of cleaning up any oil, grease, chemical, or other spill, always must be on hand. Workers must make available back-up containment methods on the rig's main deck.

These procedures, among many others, are standard throughout the Company's operations worldwide. The Company is a sophisticated drilling enterprise and understands that undisciplined practices present risk to the environment and will not be tolerated. The Company accordingly built and implemented necessary safeguards to mitigate that risk.

Policies that Address Hearing Grievances

The Company provides an Ethics Hotline for employees and other interested parties, including members of the communities in which we work, to report grievances. The Ethics Hotline is publicized on the Company's website, in the Code, the Human Rights Statement, and the Myanmar SOP, and allows anonymous reporting of any ethics or compliance issue, such as work conditions or environmental, health and safety issues. Ethics Hotline posters are prominently displayed on all Ensco rigs, including those operating in Myanmar, and in onshore office space. Once a claim is made, the Compliance Department investigates the report, under the direction of the Company's independent Audit Committee, and devotes appropriate resources to resolving the claim. The Company takes all grievances seriously, and

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the Compliance Department's direct involvement in the grievance process demonstrates the Company's commitment to ethical behavior. The Company prohibits any form of retaliation.

ARRANGEMENTS WITH SECURITY SERVICE PROVIDERS

The Company has not engaged and does not plan to engage any Security Service Providers, military or non-military in Myanmar.

PROPERTY ACQUISITION

The Company does not generally purchase or acquire land in jurisdictions where it does business. However, the Company understands that for the purposes of this report, "property acquisition" includes the lease of real property as well. While the Company has entered into a limited number of onshore leases for office and residential space, it does not have any qualifying land acquisitions for this reporting year.

TRANSPARENCY

The Company has not made any payments over \$10,000 to the Government of Myanmar, any sub-national or administrative government entity, or non-state group that possesses or claims to possess government authority over the Company's activities in Myanmar.

MILITARY COMMUNICATIONS

As of the date of this filing, the Company has not had any communications or meetings with the armed forces of Myanmar and/or other armed groups related to the Company's operations in Myanmar.

RISK PREVENTION AND MITIGATION

As described throughout this report, in entering the Myanmar market the Company identified potential risk areas and installed safeguards to mitigate those risks. The Company has no incidents, and corresponding mitigation measures, to report at this time. However, should incidents arise, the Company is prepared to respond appropriately.